

# NEWSLETTER

## GLOBAL MARKETS

**Local Markets:**

Kenyan shilling is expected to hold steady against the US dollar. The shilling's stability is attributed to support by robust diaspora remittances, healthy foreign exchange reserves and managed import demand.

Today's expected USD/KES trading range is 128.50/129.60

**Indicative FX rates as at 8.30am:**

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.50	129.60			
GBP/KES	170.90	172.65	GBP/USD	1.3339	1.3262
EUR/KES	146.70	148.20	EUR/USD	1.1423	1.1425
INR/KES		1.3850	USD/INR	94.80	94.50
			AUD/USD	0.6925	0.6920
			Commodities		
			Gold	4075.88	3977.75
			Brent Crude	70.72	73.15

**Benchmark Rates:**

Tenor	Current	Previous	
91 Days	8.8275%	8.8206%	
182 Days	8.8438%	8.7782%	
364 Days	8.9932%	8.9746%	
KES INFLATION	6.68%	5.59%	
KES CBR	8.75%	8.75%	
FED RATE	3.75%	3.75%	
ECB RATE	2.25%	2.00%	
BOE RATE	3.75%	3.75%	
RBI RATE	5.25%	5.25%	

**Top News**

**Oil:** Oil prices fell on Thursday as traders continued to assess easing risks to Middle East crude supplies, with improving supply expectations keeping pressure on the market despite lingering geopolitical uncertainty.

**Asia-Pacific markets:** South Korean stocks led losses across Asia on Thursday as a fresh selloff in global artificial intelligence-linked shares hammered semiconductor makers, with concerns over AI infrastructure spending outweighing resilient regional economic data.

**International Markets**

**USD:** The dollar hovered close to recent 13-month highs as markets awaited key U.S. labor data for more cues on interest rates, while the yen wallowed near 40-year lows with focus remaining on government intervention. Hawkish comments from Federal Reserve Chair Kevin Warsh on Wednesday underpinned the dollar, amid growing conviction that the central bank will raise interest rates this year.

**GBP:** GBP/USD gains traction to near 1.3300 in the European session on Thursday. The British Pound strengthens against the US Dollar as the UK's likely next Prime Minister, Andy Burnham, has eased market concerns by pledging strict fiscal discipline. The US Nonfarm Payrolls data for June will take center stage later on Thursday

**EUR:** EUR/USD ticks higher toward 1.1400 in the early European trading hours on Thursday. However, the pair lacks bullish conviction as traders eagerly await the release of the crucial US Nonfarm Payrolls report for a fresh directional impetus.

**INR:** The Indian rupee opened higher on July 2, aided by a further drop in oil prices, though traders expect the relief to be short-lived amid weakness in Asian peers and higher U.S. yields.

Source: Reuters.

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